



Administrative Policy
Corporate/Government Fuel Cards

AP No.	AP 5-5
Effective Date:	Upon Approval

1. POLICY STATEMENT

1.1 This Policy provides guidelines to City Employees regarding the purchase of fuel at commercial retail gas stations. All City Employees must comply with applicable federal, state, and local laws, regulations, ordinances and policies related to the purchase of fuel using the fuel card.

2. POLICY PURPOSE

2.1 To establish procedures for purchasing vehicle fuel from commercial retail fuel stations using a fuel card.

3. SCOPE

3.1 This Policy applies to all City departments and City Employees. All fuel cards shall be governed by this Policy, the City Charter and ordinances of the City of Houston, and the laws of the State of Texas.

4. DEFINITIONS

Approving Authority: Means for each respective department, the Departmental Fuel Card Coordinator (DFCC). is responsible for preliminary review and approval of the department's fuel card requests. The DFCC will submit all department-approved requests to the Fleet Management Department (FMD) Director or Designee for final approval.

City Employee: For the purposes of this Administrative Policy, City Employee means all individuals engaged in the performance of duties for or on behalf of the City, whether hired, appointed, elected, full- or part-time, temporary, or grant-funded, without limitation as to municipal or classified service. For purposes of this policy only, this category includes temporary employees working for temporary agencies, City Hall fellows, and interns.

Departmental Fuel Card Coordinator (DFCC): An individual approved by a department director who is responsible for administration of the department/division Fuel Card Program.

Fuel Card: A card that functions similarly to a credit card. It is used for purchases of fuel for vehicles owned or operated by the City of Houston. Fuel Cards are issued to be used with a specific City-owned vehicle, and are to be used for that vehicle only.

Fuel Card Program Administrator: A designated City Employee within FMD that serves as a single point of contact between the City and the fuel card provider for general oversight of the program.

Fuel Card Users: Employees that have been designated by the DFCC to use a fuel card under this Policy. One card may have several users.

Revolving Fund: The Central Services Revolving Fund provides budgetary accounts for a centralized service function that provides for the purchase of goods and/or services for citywide operating departments. This method allows for the purchase of large quantities of goods and services for a high number of departments in a planned and well-managed manner.

Approved:

Date Approved:

12/14/2018

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5. POLICY DETAILS

5.1 Purchasing Limits

5.1.1 Purchasing limits are set at seven transactions within a 24-hour period.

5.2 Authorized Purchases

5.2.1 Fuel cards may only be used to purchase fuel for City-owned and/or operated vehicles/equipment.

5.3 Purchases are limited to fuel at the pump only.

5.4 Prohibited Purchases

5.4.1 Fuel cards shall not be used to obtain or purchase cash advances, non-fuel items, or premium fuel.

5.5 Fuel Card Criteria

5.5.1 Fuel cards will be issued primarily for travelling outside the Houston area, operating after-hours and weekends.

5.5.2 Fuel cards will not be issued to vehicles assigned to be parked at downtown locations.

5.5.3 Fuel cards will not be issued for vehicles assigned with a fuel island at the location.

5.5.4 Fuel cards will not be issued where there is a City-owned fuel island within 3 miles.

5.5.5 If a City-owned fuel island is out of service, a fuel card can be issued in the interim.

5.5.6 The FMD Director may authorize exceptions to these criteria.

6. ROLES AND RESPONSIBILITIES

6.1 The FMD Director or designee is responsible for developing procedures and administering a plan for the use of fuel cards that complies with the Charter and Ordinances of the City of Houston and the laws of the State of Texas in cooperation with the Strategic Purchasing Division of the Finance Department. The FMD Director will designate a Fuel Card Program Administrator to be responsible for the following:

6.1.1 Serving as primary contact with the fuel card provider.

6.1.2 Reviewing and processing requests for the issuance of fuel cards in compliance with this policy.

6.1.3 Establishing guidelines and criteria for transactions and limitations for fuel cards.

6.1.4 Keeping a current list of fuel card numbers and vehicle-card assignments.

6.1.5 Coordinating training on fuel card usage and policies and procedures.

6.1.6 Distributing fuel card billing statements via electronic format to the DFCC.

6.1.7 Reviewing vendor invoices and transaction records for compliance with this Policy and other procedures.

6.1.8 Notifying the FMD Director, department directors, and DFCC of unauthorized purchases and

any fuel card usage that is not in compliance with this policy.

6.1.9 Suspending fuel card privileges for noncompliance with this Policy or for non-responsiveness with monthly reconciliation process.

6.1.10 Canceling and suspending fuel cards as requested by DFCC or department directors.

6.1.11 Processing vendor invoices for payment in compliance with the terms of the contract.

6.2 City Departments shall:

6.2.1 Pay all costs associated with the Fuel Card Program including, but not limited to, vendor invoice payments and fuel card issuance fees.

6.2.2 Designate a Fuel Card Coordinator and an alternate using an appointment letter (Attachment A) signed by the department director or designee.

6.3 Fuel Card Coordinators shall:

6.3.1 Verify approvals and request fuel cards be issued according to the guidelines established by the Fuel Card Program Administrator.

6.3.2 Monitor purchases made by fuel card users and submit transaction records to fuel card users for reconciliation.

6.3.3 Send a confirmation to the Fuel Card Program Administrator no later than the 20th day of each month stating all fuel card holder transactions are valid, or submit corrections/discrepancies.

6.3.4 Notify fuel card users and their managers of unauthorized purchases or any fuel card usage that is not in compliance with this Policy.

6.3.5 Establish a departmental policy covering corrective action (in accordance with Administrative Procedure 3-7, Positive Corrective Action Program) for unauthorized purchases and any fuel card usage that is not in compliance with this Policy.

6.3.6 Turn in fuel cards to the Fuel Card Program Administrator when the vehicle is sold, transferred, salvaged or no longer needed.

6.3.7 Attend fuel card training on an annual basis. Failure to do so may result in loss of fuel card privileges.

6.3.8 Ensure that fuel card users are trained before using the fuel card and annually thereafter.

6.4 Fuel Card Users shall:

6.4.1 Assume responsibility for all purchases made with the fuel card using their personal identification number (PIN).

6.4.2 Adhere to this Policy and ensure that no unauthorized purchases are made with the card (Attachment B).

6.4.3 Immediately report lost or stolen fuel cards to the Fuel Card Program Administrator and then notify the DFCC and the Fuel Card Program Administrator by submitting a "Lost/Stolen Form" (Attachment C).

6.4.4 Assist the DFCC and the Fuel Card Program Administrator in resolving disputed transactions

(Attachment D).

6.4.5 Retain all original receipts for all fuel card purchases.

6.4.6 Attend fuel card training on an annual basis. Failure to do so may result in a loss of Fuel Card privileges.

7. PROCEDURES

7.1 Security

7.1.1 The fuel card user is responsible for the security of the card.

7.1.2 The fuel card user shall treat the fuel card with the same level of care as the user would use with his/her personal credit cards.

7.2 Supporting Documentation

7.2.1 Fuel card users must obtain the original receipt for all transactions at the time of purchase, and submit it to the DFCC after the fuel card user has reconciled the transaction record. The DFCC must maintain files with copies of all receipts in accordance with the City's document retention policy for such documents.

7.3 Declined Transactions

7.3.1 Occasionally a commercial retail fuel station will receive a "decline" response from the fuel card issuer after attempting to process a fuel card transaction. In such situations, the fuel card user should notify the fuel card issuer by calling the number on the back of the fuel card.

7.3.2 Fuel card users must reconcile declined transactions while at the fuel station and at the time of the transaction.

7.4 Transaction Records

7.4.1 Each department will receive a monthly electronic record of its fuel card users' transactions.

7.4.2 The DFCC will establish procedures to submit these records to each fuel card user for reconciliation within ten calendar days.

7.4.3 Fuel card users must submit a signed copy of the reconciled transaction report, along with all receipts, to the DFCC within ten calendar days of receipt from the DFCC

7.4.4 The DFCC will submit a completed checklist stating the cards have been reconciled to the Fuel Card Administrator by the 20th day of the month (Attachment E).

7.5 Records Management

7.5.1 The DFCC must maintain records of fuel card transactions, original receipts, reconciliations and reimbursements. Records must be organized by billing cycle.

7.6 Lost or Stolen Fuel Cards

7.6.1 When it is determined that a fuel card has been lost or stolen, the card must be cancelled immediately by contacting the DFCC or the current fuel card issuer.

7.6.2 The fuel card user must (1) notify the Fuel Card Program Administrator immediately upon

discovering that a card is lost or stolen, (2) complete the “Lost/Stolen Form” (Attachment C) and (3) send the completed Lost/Stolen Form to the DFCC.

7.6.3 The Approving Manager will submit the Lost/Stolen Form to the DFCC. The DFCC will forward the Lost/Stolen Form to the Fuel Card Program Administrator.

7.7 New or Replacement Fuel Card to Existing Accounts

7.7.1 To request a new fuel card, the DFCC must submit a “Request for New Card Form” (Attachment F) to the Fuel Card Program Administrator.

7.7.2 To replace a worn or damaged fuel card, fuel card Users must contact the Fuel Card Program Administrator.

7.8 Unauthorized Use

7.8.1 Any purchases that a department director or designee or the Fuel Card Program Administrator deems inappropriate as outlined in this Policy will be referred to the fuel card user for and explanation. If any unauthorized charges appear in the Fuel Card Users Activity Report, the individual will be subject to the following:

7.8.2 The DFCC shall investigate and the Fuel Card Program Administrator or the Office of the Inspector General may investigate all circumstances surrounding alleged misuse of the Fuel Card or any purchase that appears unauthorized; and in such cases where there is evidence substantiating a potential procedure or Policy violation, the investigating authority may refer that information to the appropriate authority for investigation and/or corrective action.

7.8.3 Where there is evidence the fuel card user used the fuel card negligently but not fraudulently, the fuel card user may be required to surrender the fuel card and have all further privileges revoked.

7.8.4 Any City employee having knowledge of violations of this Policy or any other procedure governing the use of the fuel card must immediately report such activity to the DFCC.

7.8.5 If a City employee is suspected or accused of fraud or theft, his or her fuel card privileges shall be suspended or terminated and appropriate corrective action taken with respect to the City employee in accord with existing City policies and procedures and local, state, or federal laws.

7.9 Termination Clause

7.9.1 Fuel card privileges may be canceled by the Fuel Card Program Administrator for non-compliance with this Policy or other fuel card procedures. Transfer, resignation, or termination of employment is reason for cancellation of fuel card privileges. The Fuel Card Program Administrator must cancel fuel card user privileges immediately when a City employee leaves City employment for any reason.

7.9.2 The DFCC must give written notice to the Fuel Card Program Administrator before a fuel card is canceled. If a City department causes delay in the cancelation of Fuel Card privileges due to either action or inaction, that department will be responsible for payment of any otherwise authorized charges incurred by a City employee no longer working in that department.

8. RELATED DOCUMENTS AND INFORMATION

- Attachment A – Department Fuel Coordinator Appointment Letter
- Attachment B – Fuel Card Form User Memo

- Attachment C – Lost/Stolen Card Form
- Attachment D – Dispute Resolution Form
- Attachment E – Fuel Card Monthly Checklist
- Attachment F – Request for New Card

9. POLICY SPONSOR

Department: Fleet Management Department



Attachment A CITY OF HOUSTON

Interoffice

Department

Correspondence

*****Sample Letter Only*****

To: Fleet Management Department **From:** Department Director or Designee

Date:

■ ■

Subject: Department Fuel Coordinator Appointment Letter

The following employees are appointed as Department Fuel Coordinators for XX Department:

Name	Work Location	Work Phone
John Doe, Primary	Address	XXX-XXXX
Jane Doe, Alternate	Address	XXX-XXXX

Director or Designee Signature



Attachment B
CITY OF HOUSTON
Fleet Management Department

Interoffice
Correspondence

To: Fuel Card Users

Subject: Voyager Fuel Card

Attached is a new Voyager Fuel Card. The card can be used at any commercial retail fuel location that accepts Voyager.

Each card is assigned to a City Of Houston vehicle/equipment and should only be used for fueling that vehicle. No other type of purchase is allowed on the card. This card is limited to **pay-at-the-pump transactions only**. Excluded items include premium fuel, non-fuel items, and cash advances.

The card user is responsible for the security of the card and should obtain all receipts for fuel expenditures. All transactions will be monitored.

Please see your Departmental Fuel Card Coordinator for more details about the Fuel Card Policies and Procedures and to report a lost or stolen card.

Acknowledgement:

I have received a copy of A.P. 5-5, "Corporate/Government Fuel Cards" and agree to abide by the terms and conditions.

Name and Employee Number (Print)

Signature

Date

Attachment C
City of Houston
Lost/Stolen Fuel Card Form

Card user information:

Card assigned to: _____

Fuel Card Number: _____

Department _____

Date card was lost/stolen _____

Date card was last used _____

Last transaction date: _____

Last transaction amount \$ _____

Merchant name: _____

Merchant City and State: _____

Immediately call 832-393-8003 or 832-393-8055 or email "FMD – Fuel Management" to report your lost/stolen card, then submit this form to your Departmental Fuel Card Coordinator.

Reported lost/stolen card on _____ (date) at _____ (time) to
_____ (employee name)

CARDUSER SIGNATURE / DATE

PRINT NAME / EMPLOYEE ID NUMBER

Route to:

Approving Manager: _____ Date: _____

Department Fuel Card Coordinator: _____ Date: _____

Forward to the Fuel Card Program Administrator in the Fleet Management Department, 900 Bagby St., G-Level.

Attachment D

Dispute Resolution Form

**Account
Number**

**Account
Name**

Card ID

Date of Transaction

Time of Transaction

**Merchant
Name**

**Merchant
Address**

**Vehicle
ID**

**Actual
Odometer**

**Driver
ID**

**Product
Description**

Gallons

**Transaction
Line Amount**

Reason for Dispute:

Attachment E

Fuel Card Coordinator's Monthly Checklist

Department: _____ Coordinator's Name: _____

Date Submitted: _____ Statement Period: _____

Initial

_____ 1. Received and disbursed all Fuel Card statements for the previous billing cycle.

_____ 2. Received reconciled, signed, and approved statements from all cardholders.

Exceptions: _____

_____ 3. Monthly summary acct statement (last pgs) report signed & returned to FMD.

Signed: _____ Date: _____

Print Name: _____ Employee Number: _____

Attachment F

**City of Houston
Fuel Card
Request for New Card**

Information Requested:

Vehicle Number: _____

Department: _____

Cost Center: _____

Fund: _____

Vehicle Location: _____

Justification:

Approving Manager (Print): _____ Date: _____

Approving Manager (Signature): _____ Date: _____

Department Fuel Card Coordinator (Print): _____ Date: _____

Department Fuel Card Coordinator (Signature): _____ Date: _____

Fleet Management Department Use Only

Comments:

Reviewed:

Fuel Manager, Fleet Management Department: _____

Approved/Disapproved:

Director or Designee, Fleet Management Department: _____